

**IT Professional Technical Services
Master Contract Program
T#:902TS**

**Statement of Work (SOW)
For Technology Services
Issued By**

Minnesota State Retirement System

**Project Title:
System, Network and Operational Penetration Testing**

**Service Categories:
Architecture Planning & Assessment – Security; or
Architecture Planning & Assessment – Technical**

Business Need

- Seeking a vendor to evaluate security of system and network by simulating an attack from malicious outsiders and insiders
- Actively analyze the system for vulnerabilities that could result in poor or improper system configuration
- Identify hardware flaws and operational weaknesses
- Validation of network architecture and system security
- Documentation of the testing process, assisting MSRS in defining a preventative plan to prevent future attacks to the enterprise environment

Goal

The goal of this Statement of Work is to evaluate and select an experienced vendor in architecture planning and assessment, specializing in security and technical assessment to provide a robust penetration test(s) with documented outcomes and recommendations to ensure a secure system.

MSRS and the vendor will mutually agree upon which actionable items fall within the confines of this contract.

Project Deliverables

At a minimum, MSRS requires a work plan consisting of:

1. Meeting with staff to understand network architecture and system
2. Providing project time line within 10 days of contract execution
3. Documenting valuation process
4. Documenting flaws, strengths, weaknesses or vulnerabilities found
5. Documenting recommendations for change

6. Meeting with MSRS management and staff to present findings. If necessary, include Board of Directors and Legislative Auditor representatives to discuss findings.
7. Optionally provide requirements & cost for a second penetration test.

Responder may add additional deliverables that add value to the project. Any deliverables added, must be priced separately from the deliverables listed above.

Project Milestones and Schedule

- | | |
|--|--------------------------|
| • Deadline for Questions | August 23, 2013 12:00 PM |
| • Anticipated Posted Response to Questions | August 26, 2013 12:00 PM |
| • Proposals due | August 29, 2013 3:00 PM |
| • Anticipated proposal evaluation & decision | September 3, 2013 |
| • Project start date | September 17, 2013 |
| • Project end date | June 30, 2014 |

Project Environment (State Resources)

Staff descriptions:

- a. There are two high level and three mid-level IS staff involved with the project.
- b. Project Manager is Bryan Smalley, CISO.
- c. Organizational structure of the project: Dave Bergstrom, MSRS Executive Director, Bryan Smalley, CISO and Jye Meier, Network Supervisor, Jason Stoeke, Server Architect.

System Environment:

- a. **General.** The MSRS network infrastructure supports 90-plus employees located in our central office at 60 Empire Drive in St. Paul, and four satellite offices; one in Mankato, Detroit Lakes, Duluth and St. Cloud. Each satellite office runs through an Enterprise WAN and is occupied by less than five employees. One of the satellite locations houses a replicated system.
- b. **Network.** The network architecture consists of multi-vendor, best of breed solutions. The design goal was to protect against a single point of failure and utilize redundant equipment to be located at a secondary site. For the purpose of the validation, all equipment is located at the St. Paul office.

Agency Project Requirements

Validation requirements include:

- All internal penetration testing will be conducted onsite at the St. Paul office, Empire Drive. External penetration testing can be conducted offsite.
- Any hardware or software recommendations will be covered under a separate contract and by another vendor.
- Any work requiring downtime of system equipment will not be done during standard business hours of 7:00AM – 5:00 PM.
- Compliance with Statewide Project Management Methodology (<http://www.state.mn.us/cgi-bin/portal/mn/jsp/content.do?contentid=536879578&contenttype=EDITORIAL&template=&id=-8484&subchannel=-536879888&sc2=null&programid=536879656&agency=OT/>) is required.

Responsibilities Expected of the Selected Vendor

- Work-plan with milestones must be submitted
- Vendor staffing will be approved by MSRS

- Perform penetration tests on network system including, firewalls, routers, servers, desktops, software, VoIP, wireless systems and load balancers
- Provide actionable recommendations for closing any open or otherwise insecure configurations and any other outstanding issues
- Identify system strengths and weaknesses with respect to both security and performance
- Work with MSRS staff to resolve problematic audit findings if within the contract
- Assess the magnitude of potential business and operational impacts of successful attacks
- Test the ability of network defenders to successfully detect and respond to the attacks
- If warranted, provide evidence to support increased investments in security personnel and technology
- Provide additional requirements and recommendations as necessary
- Document finding details for presentation to IS/IT team, MSRS Management and if necessary, the MSRS Board of Directors and OLA staff
- Conduct follow-up meetings with MSRS Project Team and MSRS Management.
- Review testing and acceptance criteria with MSRS team
- Identify time required by MSRS staff assisting with project

Required Skills

Required minimum qualifications are:

- Master Contract resource type(s)/ categories include Architecture Planning & Assessment – Security; or Architecture Planning & Assessment – Technical.
- Project staffing requires five years demonstrated experience with architecture (one person) and security (one person) or combined experience.

Desired Skills

Skills in the following are desired:

- Ubuntu/Redhat Linux, Microsoft Windows
- *Active Directory*
- *Exchange*
- *LAMP*
- *Cisco VoIP and VPN*
- *Extreme Networking*
- *PaloAlto Firewalls*
- *A10 Load Balancers*
- *Network Instruments and Compuware Monitoring*
- *Certified Ethical Hacker*

Questions

Any questions regarding this Statement of Work should be submitted via e-mail by 12:00 PM on August 23, 2013 to:

Sue Willinger
MSRS Contract Administration
Sue.willinger@msrs.us

Questions and answers will be posted on the Office of Enterprise Technology website on August 26, 2013, at 12:00 PM. See http://mn.gov/buyit/statements/mcp902ts_active.html

SOW Evaluation Process

All responses received by the deadline will be evaluated by the MSRS Selection Committee. The Selection Committee will individually evaluate and score proposals based on established criteria

and best value to MSRS. Any proposal that does not fall within a competitive range at the end of this phase will be excluded from further evaluation.

The evaluation consists of a two part process:

1. Administrative. Pass/Fail based on Attachment A criteria. This checklist will be used for the initial Administrative Evaluation. The items on this list must be included in the SOW response. Any single failure of an item removes the RFP response from further evaluation.
2. Professional/Technical Services. If the Administrative evaluation was successfully passed, the Services evaluation will be completed. This includes evaluating the proposal submitted and may include a face to face interview.

	Professional/Technical Services	Percentage
a.	Expressed understanding of project objectives.	5%
b.	Deliverables and work plan	30%
c.	Company qualifications/experience; Proposed personnel experience; References	35%
d.	Cost detail	30%

The Selection Committee will identify areas, if any, requiring further clarification. MSRS will notify responders if it has a question or if any issues exist requiring clarification and firms must then respond in writing within a specified timeframe.

The cost proposal will not be opened by the Selection Committee until after the qualifications points are awarded. A 100-point scale will be used to create the final evaluation recommendation.

Statement of Work does not obligate the state to award a work order or complete the assignment, and the state reserves the right to cancel the solicitation if it is considered to be in its best interest. The Agency reserves the right to reject any and all proposals.

Response Requirements

Responses submitted to this Statement of Work must contain certain necessary information essential to understanding and evaluating the proposals as indicated in the Project Deliverables and Responsibilities Expected of the Vendor sections.

The intent is not to limit the content of the response. Responders may propose additional tasks or activities if they will substantially improve the services desired by MSRS. The emphasis should be on the vendor's ability to satisfy the requirements of the Statement of Work. Information submitted in the response must be current, complete, and accurate. Misrepresentation of the response data will be grounds for rejection of the response or cancellation of the Work Order (if one has been awarded), and legal remedies may be sought.

MSRS assumes no liability for payment of expenses incurred in the preparation and submission of the response. All materials submitted in response to this Statement of Work will become the property of MSRS. Materials received will be considered PUBLIC information and will be open to public inspection in accordance with the Minnesota Statutes Chapter 13, the Minnesota Data Practices Act, after the Work Order has been executed.

Proposal Submission Instructions

- No e-mail or fax proposals will be accepted.
- All proposals must be received no later than **3:00 p.m., CT, August 29, 2013.**
- **Late responses will not be considered.**
- Any questions and all responses must be delivered to:

Sue Willinger, Contract Administration
MSRS
60 Empire Drive, Suite 300
St. Paul, MN 55103-2088 sue.willinger@msrs.us

To facilitate the Evaluation Team's review of proposal, firms must submit:

1. Submit one (1) original hard copy of response.

- a. Clearly mark envelope as "Original Copy" with company name.
- b. Include Transmittal Letter signed in ink by authorized member of the company in the original copy only.
- c. Provide a detailed statement of understanding of the project objectives.
- d. Provide a detailed proposed work plan.
 - i. Indicate the expected level of MSRS' participation in the project. Detail cost allowances/estimated MSRS expense for this participation.
 - ii. Provide a description of the deliverables to be provided to MSRS.
- e. Provide an outline of the company qualifications/experience.
 - i. Include a list of personnel who will provide the service, detailing their training and work experience.
 - ii. Provide three references for similar work your company has provided.
 1. All references must include contact information and be able to discuss applicable product and service offerings with MSRS. No references will be contacted without prior notification to the respondent.
- f. Indicate any Conflict of Interest.
 - i. Provide a list of all entities with which responder has a relationship that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposal. This list should indicate the name of the entity, the relationship and a discussion of the conflict.
 1. If there is no conflict of interest, you must indicate "No conflict of interest."
 - ii. Warrant that to the best of respondent's knowledge and belief, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest.
- g. Required form links:
 - i. Affidavit of non-collusion
<http://www.mmd.admin.state.mn.us/doc/noncollusion.doc>
 - ii. Veteran-Owned/Service Disabled Veteran-Owned Preference Form
<http://www.mmd.admin.state.mn.us/doc/vetpref.doc> (Optional)

2. Submit four (4) copies of original.

- a. Only one original ink signed authorized company signature is required. The Transmittal page may be photo-copied for these copies.
- b. **No costing information** may be communicated in the primary RFP response document.
- c. All cost information must be sealed separately in the single "Cost Proposal" envelope.
- d. There is no need to copy required state forms. (Contained within "Original" section above.)

3. Cost Proposal

Respondents must ensure that all cost information is restricted to the "Cost Proposal" document and electronic copy (see #4).

- a. Provide **one original and four (4) copies** of the cost proposal in a separately sealed envelope clearly marked on the outside "Cost Proposal" along with your vendor name. For purposes of completing the cost proposal, the state does not make regular payments based upon the passage of time; it only pays for services performed or work delivered after it is accomplished satisfactorily.
 - b. Vendor must provide expiration date of cost proposal. The expiration date must be valid 90 days from the contract execution date.
 - c. Provide a breakdown of tasks and professional services including hourly rates for services.
 - d. Identify the level of MSRS' participation in the contract, as well as any other services to be provided by the department, and details of cost allowances for this participation.
4. **Submit one electronic copy** via CD of response complete with all information included in the original and cost proposals.

General Requirements

Proposal Contents

By submission of a proposal, Responder warrants that the information provided is true, correct and reliable for purposes of evaluation for potential award of a this work order. The submission of inaccurate or misleading information may be grounds for disqualification from the award as well as subject the responder to suspension or debarment proceedings as well as other remedies available by law.

Indemnification

In the performance of this contract by Contractor, or Contractor's agents or employees, the contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the state, to the extent caused by Contractor's:

- 1) Intentional, willful, or negligent acts or omissions; or
- 2) Actions that give rise to strict liability; or
- 3) Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this contract.

Disposition of Responses

All materials submitted in response to this SOW will become property of the State and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected vendor. If the Responder submits information in response to this SOW that it believes to be trade secret materials, as defined by the Minnesota Government Data Practices Act, Minn. Stat. § 13.37, the Responder must: clearly mark all trade secret materials in its response at the time the response is submitted, include a statement with its response justifying the trade secret designation for each item, and defend any action seeking release of the materials it believes to be trade secret, and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State's award of a contract. In submitting a response to this RFP, the Responder agrees that this indemnification survives as long as the trade secret materials are in possession of the State.

The State will not consider the prices submitted by the Responder to be proprietary or trade secret materials.

Conflicts of Interest

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this request for proposals. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

The responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the Assistant Director of the Department of Administration's Materials Management Division ("MMD") which must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organization conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the award of the contract and did not disclose the conflict to MMD, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms "contract," "contractor," and "contracting officer" modified appropriately to preserve the State's rights.

IT Accessibility Standards

Responses to this solicitation must comply with the Minnesota IT Accessibility Standards effective September 1, 2010, which entails, in part, the Web Content Accessibility Guidelines (WCAG) 2.0 (Level AA) and Section 508 Subparts A-D which can be viewed at:

http://www.mmd.admin.state.mn.us/pdf/accessibility_standard.pdf

Nonvisual Access Standards

Nonvisual access standards require:

- 1) The effective interactive control and use of the technology, including the operating system, applications programs, prompts, and format of the data presented, are readily achievable by nonvisual means;
- 2) That the nonvisual access technology must be compatible with information technology used by other individuals with whom the blind or visually impaired individual must interact;
- 3) That nonvisual access technology must be integrated into networks used to share communications among employees, program participants, and the public; and
- 4) That the nonvisual access technology must have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Preference to Targeted Group and Economically Disadvantaged Business and Individuals

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime

contractors will receive a six percent preference in the evaluation of their proposal. Eligible TG businesses must be currently certified by the Materials Management Division prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at mmdhelp.line@state.mn.us. For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

Veteran-Owned Preference

In accordance with Minn. Stat. § 16C.16, subd. 6a, (a) Except when mandated by the federal government as a condition of receiving federal funds, the commissioner shall award up to a six percent preference on state procurement to **certified small businesses** that are **majority-owned and operated by**:

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;
- (2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs; or
- (3) any other veteran-owned small businesses certified under section [16C.19](#), paragraph (d).

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time.

If you are claiming the veteran-owned preference, **attach documentation, sign and return the Veteran-Owned Preference Form with your response to the solicitation.** Only eligible veteran-owned small businesses that meet the statutory requirements and provide adequate documentation will be given the preference.

Foreign Outsourcing of Work Prohibited

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by subcontractors at all tiers.

Attachment A - ADMINISTRATIVE EVALUATION

Description	Pass/Fail
Response delivered prior to deadline	
Conflict of interest, or lack thereof, indicated	

Attachment B - State Work Order Language

STATE OF MINNESOTA IT Professional Technical Services Master Contract Program Work Order

This work order is between the State of Minnesota, acting through its _____ ("State") and _____ ("Contractor"). This work order is issued under the authority of Master Contract T-Number 902TS, Contract Number _____, and is subject to all provisions of the master contract which is incorporated by reference.

Work Order

1 Term of Work Order

1.1 Effective date: _____, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later.

The Contractor must not begin work under this work order until it is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.

1.2 Expiration date: _____, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2 Contractor's Duties

The Contractor, who is not a state employee, will: _____ [Thorough Description of Tasks/Duties]

3 Consideration and Payment

3.1 Consideration. The State will pay for all services performed by the Contractor under this work order as follows:

A. *Compensation.* The Contractor will be paid as follows: _____ [For example; Resource Type hourly rate]

Travel Expenses. Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this work order will not exceed \$_____.

Total Obligation. The total obligation of the State for all compensation and reimbursements to the Contractor under this work order will not exceed \$_____.

3.2 Invoices. The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule:_____

4 Authorized Representatives

The State's Authorized Representative is [NAME, TITLE, ADDRESS, TELEPHONE NUMBER], or his/her successor. The State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is _____. If the Contractor's Authorized Representative changes at any time during this work order, the Authorized Representative must immediately notify the State.

5 Nonvisual Access Standards

Nonvisual access standards require:

5.1 The effective interactive control and use of the technology, including the operating system, applications programs, prompts, and format of the data presented, are readily achievable by nonvisual means;

- 5.2 That the nonvisual access technology must be compatible with information technology used by other individuals with whom the blind or visually impaired individual must interact;
- 5.3 That nonvisual access technology must be integrated into networks used to share communications among employees, program participants, and the public; and
- 5.4 That the nonvisual access technology must have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

6. Indemnification

In the performance of this contract by Contractor, or Contractor's agents or employees, the contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the state, to the extent caused by Contractor's:

- 1) Intentional, willful, or negligent acts or omissions; or
- 2) Actions that give rise to strict liability; or
- 3) Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this contract.

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as Stat. required by Minn. Stat. §§16A.15 and 16C.05.

Signed: _____

Date: _____

SWIFT Contract ID _____ PO #: _____

Date: _____

2. CONTRACTOR

The Contractor certifies that the appropriate person(s) have executed the contract on behalf of the Contractor as required by applicable articles or bylaws.

By: _____

Title: _____

Date: _____

3. STATE AGENCY

Individual certifies the applicable provisions of Minn. §16C.08, subdivisions 2 and 3 are reaffirmed.

By: _____

(with delegated authority)

Title: _____